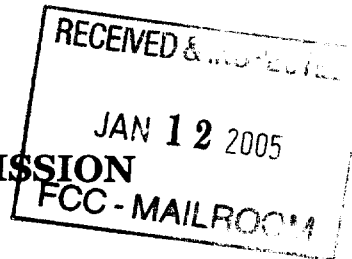


**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**



In the Matter of)

Amendment of the Television Table of)
Allotments to Delete Noncommercial)
Reservation of Channel *39, 620-626 MHz,)
Phoenix, Arizona, and to Add Noncommercial)
Reservation on Channel 11, 198-204 MHz,)
Holbrook, Arizona)

MB Docket No. 04-312
RM No. 11049

To: Video Division,
Media Bureau

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Date: January 4, 2005

SUPPLEMENTAL COMMENT OF COUNCIL TREE COMMUNICATIONS, INC.

Council Tree Communications, Inc. ("CTC") respectfully offers this brief Supplemental Comment to address the fundamental public interest balancing issue that is at the heart of this proceeding.

CTC strongly commends to the Commission and the Media Bureau that proposed "channel swaps" involving non-commercial licenses should be encouraged if they very clearly serve the public interest. One of the most compelling public interest values -- increasing diversity of ownership in the broadcast media -- should be a clear priority factor in any such proposal.¹

The particular proposal that is the subject of this proceeding falls short of serving a compelling public interest, and is telling in its exacerbation of this national problem:

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¹ The dramatic lack of participation by minorities in the ownership of broadcast licenses, especially in major-market television, has been clearly recognized by Congress and the Commission as an area of the public interest worthy of attention and remediation. See generally 47 U.S.C. § 257, the various studies released to date by the Commission and the Media Bureau, and the mandate of and recommendations to the Commission by the FCC Advisory Committee in Diversity for Communications in the Digital Age.

1. As proposed, the exchange would exacerbate the consolidation of broadcast media ownership. It would allow NBC to own an additional major-market signal in addition to its current overall reach in the U.S. market.
2. As proposed, the exchange not only would fail to provide for any increase in diversity of ownership, but would remove a prime opportunity for such development. Opening the process to competing applications would extend this opportunity to a host of diverse applicants.²
3. Finally, NBC fails to explain why its stated goal – expansion of the over-the-air reach for Spanish-language programming – could not be achieved by simply buying an existing commercial station in the market.

Because they are based on a balancing of public interests, channel exchanges of this nature should be reserved for those proposals that clearly provide a compelling case for diversity and other values, not merely the economic convenience of a dominant party in further consolidating its ownership position.

² As the result of an erroneous statement by NBC in its Reply Comments (p. 4, n. 5), CTC feels compelled to correct the record. Contrary to NBC's claim, CTC did not propose a "similar transaction" with CTC. In fact, CTC negotiated directly with high level NBC executives about a proposal that would have resulted in a substantial increase in diversity of ownership in the Phoenix television market. NBC rejected such an approach for a minority owned affiliate stating that it wanted to own 100 % of any full-power commercial station created by a channel exchange in the Phoenix market. It is telling that NBC's primary goal is thus apparently not expansion of Spanish-language programming, but rather further consolidation of ownership of media properties in major markets.

Respectfully submitted,

COUNCIL TREE COMMUNICATIONS, LLC

By:


Steve Hillard

President

Dated:

1/4/05

Its Attorneys

CERTIFICATE OF SERVICE

I, Veronica Flores, hereby certify that on this day, January 4, 2005, a copy of the foregoing "Comments of Council Tree Communications" was served on the following persons by first class U.S. mail, postage prepaid:

Margaret L. Tobey
Christina C. Pauze
Morrison & Foerster LLP
2000 Pennsylvania Avenue, N.W.
Suite 5500
Washington, D.C. 20006-1888
(202) 887 1500

F. William LeBeau
Assistant Secretary and Senior Regulatory Counsel
NBC Telemundo License Co.
1299 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Richard E. Wiley
John E. Fiorini, III
Wiley Rein & Fielding LLP
1776 K Street, N.W.
Washington, D.C. 20006
(202) 719-7000

Robert L. Olender
Koerner & Olender, PC
5809 Nicholson Lane
Suite 124
North Bethesda, MD 20852
(301) 468-3336

Scott R. Flick
Brendan Holland
Paul A. Cicelski
Shaw Pittman LLP
2300 N. Street, NW

Gary S. Lutzker
Kevin P. Latek

Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, NW
Suite 800
Washington, D.C. 20036

Chairman Michael K. Powell
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Kathleen Q. Abernathy
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Michael J. Copps
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Kevin J. Martin
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Commissioner Jonathan S. Adelstein
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Barbara A. Kreisman
Chief, Video Division
Media Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Joyce Bernstein
Media Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554